

MONTANA

CAPTIVE INSURANCE COMPANY



2013

ANNUAL REPORT

(Name of Captive Insurer)

(For Period Ending)

6.6.6810 ARM – Examined by CPA in accordance with GAAP.
Not to be used for Captive Risk Retention Groups.

Captive Annual Report 2013

Table of Contents

Annual Report Coverage Page	1
Balance Sheet (Assets)	2
Balance Sheet (Liability, Capital and Surplus)	3
Statement of Income, Capital and Surplus Account.....	4
Exhibit of Expenses.....	5
Questionnaire.....	6/7
Premium Schedule.....	8
Reinsurance Ceded	9
Reinsurance Assumed	10
Unpaid Losses & LAE	11
Losses & LAE Paid and Incurred.....	12
Summary – All Lines of Business	13
Automobile Liability Net Losses & LAE – Chart 1	14
Chart 2	15
Chart 3	16
Automobile Liability Loss Development	17
General & Product Liability Net Losses & LAE – Chart 1.....	18
Chart 2	19
Chart 3	20
General & Product Liability Loss Development	21
Professional Liabilities Net Losses & LAE – Chart 1	22
Chart 2	23
Chart 3	24
Professional Liabilities Loss Development.....	25
Other Liability Net Losses & LAE – Chart 1	26
Chart 2	27
Chart 3	28
Other Liability Loss Development	29
Excess Workers' Compensation Net Losses & LAE – Chart 1	30
Chart 2	31
Chart 3	32
Excess Workers' Compensation Loss Development	33
All Other Lines Net Losses & LAE – Chart 1	34
Chart 2	35
Chart 3	36
All Other Lines Loss Development	37
Investment Schedule	38
Check List	39

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

Organized under the laws of the state of _____
Annual Meeting Date _____
Incorporated (Date) _____
Commenced Business (Date) _____
Montana Home Office Address _____
Main Administrative Office or Business Office Address _____
Mailing Address _____
Contact Person, Phone Number & Address* _____

OFFICERS**

President _____	Vice President _____
Secretary _____	Vice President _____
Treasurer _____	Vice President _____
_____	_____

DIRECTORS**

_____	_____
_____	_____
_____	_____

The officers of this reporting entity, being duly sworn, each for himself deposes and says that they are the above described officers of the said insurer, and that on the last day of the period presented, all of the herein described assets were the absolute property of the said insurer, free and clear from any liens or claims thereon, except as stated, and that this annual statement, together with related exhibits, schedules, and explanations therein contained, annexed or referred to are a full and true statement of all the assets and liabilities and of the condition and affairs of the said insurer as of the date presented, and of its income and deductions therefrom for the year ended on that date, according to their information, knowledge and belief, respectively.

Officer, Title

Officer, Title

Subscribed and sworn to before me this _____ day of _____, 20_____.

Signature of Notary _____
Notary Public for the state of _____
Residing at _____
My Commission Expires _____

* Or corresponding person having charge of the accounts of the insurer.

** Show full name and indicate by number sign (#) those officers and directors who did not occupy the indicated position in the previous annual statement. If new, complete Biographical Affidavit.

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

BALANCE SHEET		
ASSETS		
Year Ending:	December 31, 2013	December 31, 2012
	Current	Prior
1. *Bonds		
2. *Stocks		
3. *Cash		
4. *Savings and Certificate of Deposit		
5. *Other Invested Assets:		
a) _____		
b) _____		
6. Investment Income Due and Accrued		
7. Accounts and Premiums Receivable		
8. Investments In And Advances to Affiliates		
9. Reinsurance Recoverable on Unpaid Losses & LAE		
10. Reinsurance Recoverable on Paid Losses & LAE		
11. Funds Held By Ceding Companies		
12. Prepaid Reinsurance Premiums		
13. Deposits With Reinsurer		
14. Letters of Credit		
15. Other Assets:		
a) _____		
b) _____		
c) _____		
16. Total Assets		

*See page 38 for Investment Schedule

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

LIABILITIES, CAPITAL AND SURPLUS		
Year Ending:	December 31, 2013	December 31, 2012
	Current	Prior
17. Losses		
18. Loss Adjustment Expenses		
19. Reinsurance Payable on Paid Losses & LAE		
20. Deposits Held Pursuant to Insurance Contracts		
21. Commissions, Expenses and Fees		
22. Taxes Payable		
23. Unearned Premium		
24. Reinsurance Balance Payable		
25. Loans and Notes Payable		
26. Amounts Due to Affiliates		
27. Funds Held Under Reinsurance Contracts		
28. Dividends Payable		
29. Other		
Liabilities:		
b) _____		
c) _____		
30. Total Liabilities		
31. Capital and		
Surplus:		
a) Paid in Capital (Par Value) _____		
b) Contributed Surplus _____		
c) Unrealized Gain (Loss) on Investments _____		
d) _____		
32. Surplus (Accumulated Earnings)		
33. Total Capital and Surplus		
34. Total		

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

STATEMENT OF INCOME			
	Year Ending:	December 31, 2013	December 31, 2012
		Current	Prior
<u>Underwriting Income</u>			
1. Net Premiums Written (page 8, column 4)			
2. Net (Increase) Decrease in Unearned Premiums			
3. Net Premiums Earned (lines 1 and 2)			
4. Other Insurance Income			
5. Total Income (lines 3 and 4)			
<u>Underwriting Expenses</u>			
6. Net Losses Incurred			
7. Net Loss Adjustment Expenses Incurred			
8. Commissions and Brokerage			
9. Underwriting Expenses (page 5, line 22)			
10.			
11. Total Underwriting Expenses (lines 6 through 10)			
12. Underwriting Profit (Loss) (line 5 minus line 11)			
13. Investment Income – Net of Investment Expenses			
14. Other Income			
15. Other Expenses			
16. Income Before Dividends and Taxes (lines 13 + 14 -15)			
17. Dividends to Policyholders			
18. Taxes			
19. Net Income (line 16 minus lines 17 and 18)			

CAPITAL AND SURPLUS ACCOUNTS			
Year Ending:		December 31, 2013	December 31, 2012
		Current	Prior
20. Capital & Surplus, end of previous year			
21. Net Income			
22. Net Unrealized Capital Gains or (Losses)			
23. Capital Changes: a) Paid in _____ b) Transferred from Surplus (Stock Dividends) c) Transferred to Surplus_____			
24. Surplus Adjustments: a) Paid in _____ b) Transferred to Capital (Stock Dividends) c) Transferred from Surplus_____			
25. Dividends to Stockholders			
26. Other:	a)		
	b)		
	c)		
27. Capital & Surplus, end of current year (page 3, line 33)			

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

EXHIBIT OF EXPENSES		
Year Ending:	December 31, 2013	December 31, 2012
	Current	Prior
1. Actuarial fees		
2. Agent commissions		
3. Audit, tax and accounting fees		
4. Bank service charges		
5. Captive management services		
6. Ceding commissions		
7. Claims management services		
8. Director fees		
9. Dues and subscriptions		
10. Insurance expenses		
11. Legal fees		
12. Marketing expenses		
13. Meetings and seminars		
14. Office supplies		
15. Other professional fees		
16. Rent and rent related items		
17. Salaries		
18. Taxes, licenses and fees		
19. Travel and travel related items		
20. Write-ins for miscellaneous expenses		
21. Change in deferred acquisition costs		
22. Total Expenses Incurred (lines 1 through 21)		
23. Less unpaid expenses – current year (page 3 lines 21 and 22)		
24. Plus unpaid expenses – prior year (page 3 lines 21 and 22)		
25. Net Expenses Paid (line 22 minus line 23 plus line 24)		

QUESTIONNAIRE

1. Name of the company, corporation or association who directly or indirectly owned or controlled the captive insurance company?
-

CAPITAL STOCK OF CAPTIVE

Class	Number Shares Authorized	Number Shares Authorized	Par Value
Preferred			
Common			

2. Name and address of approved manager (including firm name) _____

3. Name and address of approved actuary (including firm name) _____

4. Name and address of approved independent CPA (including firm name) _____

5. Name and address of resident registered agent _____

6. Have all transactions of the captive of which notice was received at the home office on or before the close of business on the date shown been truthfully and accurately entered on its books?

7. Largest "net" amount insured in any one risk:
Per occurrence _____ Aggregate _____
8. Has the "net" aggregate increased over last years? _____
If yes, by what amount? _____
9. If captive is an industrial insured, do all members meet the industrial insured requirements as stated in Section 33-28-101, MCA? _____
10. Has any change been made during the year of this statement in the Articles of Incorporation, by-laws or articles of association? _____
If yes, provide copies if not already provided.
11. Have all assets been valued in accordance with GAAP or SAP as applicable? _____
12. Has the company adopted a yearly conflict of interest procedure for officers, directors, and key employees as required by ARM 6.6.6808. _____
If no, please explain. _____

13. Has the company changed its plan of operation during the year? _____
14. Have losses been discounted? _____
If yes, what interest rate was used? _____
What was the total amount of the discount? _____

Questionnaire (continued)

15. Were any of the assets of the company pledged as collateral at any time during the year? (Ignore assets pledged as security for ceding insurers) _____
If yes, attach a description of the transactions as a supplement to this filing.
16. Is the company writing or assuming unrelated business? _____
17. If answer to 16 above is yes, what is the percentage to the total business written and assumed?

18. What other services does the approved independent CPA firm provide to the Captive or Parent Corporation. _____
19. Does the approved actuary, who certifies as to the adequacy of loss reserves at year end also compute the monthly or quarterly reserves of the Captive? _____
20. Has the company changed its auditors or actuaries from the previous years? _____
If yes, why? _____
21. Does the company issue assessable policies? _____

List all the company's service providers and their function(s)? (Supply additional page if needed)

Provider _____
Function(s) _____

Provider _____
Function(s) _____

Provider _____
Function(s) _____

Provider _____
Function(s) _____

Provider _____
Function(s) _____

22. Has the company entered into any financial insurance or financial reinsurance contracts? _____
23. If yes, describe the arrangement including amounts received, paid, imputed interest and companies involved. _____

24. Where there any outstanding surplus notes during the year? _____. If yes, the amount of accrued interest not recorded on the balance sheet is _____.

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

<u>PREMIUM SCHEDULE</u>	(1)		(2)		(3)	(4)
Line of Business	<u>Direct Business</u>		<u>Reinsurance Assumed</u>		Reinsurance Ceded	1+2-3 Net Premiums Written
	Related	Unrelated	Related	Unrelated		
1. Automobile Liability						
2. General & Product Liability						
3. Professional Liability						
4. Other Liability						
5. Excess Workers' Compensation						
6. All Other Lines (Describe below the other lines of business included in line 6)						
Totals						

<u>PREMIUM SCHEDULE</u>	(5)	(6)	(7)
Line of Business	Prior Year Net Unearned Premium	Current Year Net Unearned Premium	4+5-6 Net Premiums Earned
1. Automobile Liability			
2. General & Product Liability			
3. Professional Liability			
4. Other Liability			
5. Excess Workers' Compensation			
6. All Other Lines (Describe below the other lines of business included in line 6)			
Totals			

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013

COMPANY NAME _____

REINSURANCE					
CEDED AS OF:					
Name, State and NAIC# of Reinsurer*	Reinsurance Recoverable on Paid & Unpaid Losses & LAE	Premium Ceded	Prepaid Reinsurance	*Form of Security	Amount of Security
Affiliates:					
Non-Affiliates:					
Total	(Pg. 2,L.9+10)	(Pg. 8,C.4-5)	(Pg. 2,L12)		

*Authorized companies or unauthorized companies with the Commissioner's prior approval.

- * Form of Security
- Funds Withheld Trust (a)
- Letter of Credit (b)
- Trust (c)

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

REINSURANCE			
ASSUMED AS OF:			
Name, State and NAIC # of Reinsured	Reinsurance Payable on Paid & Unpaid Losses & LAE	Premium Assumed	Unearned Premiums
Affiliates:			
Non-Affiliates:			
Total			

(Pg.8,Col.2)

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013

COMPANY NAME _____

UNPAID LOSSES & LAE

UNPAID LOSSES:	(1) Case Basis Direct and Assumed	(2) Case Basis Reinsurance Ceded	(3) IBNR Direct and Assumed	(4) IBNR Reinsurance Ceded	(5) Net Losses Unpaid (1-2+3-4)
Line of Business					
1. Automobile Liability					
2. General & Product Liability					
3. Professional Liability					
4. Other Liability					
5. Excess Workers' Compensation					
6. All Other Lines					
Totals					

(Columns 1+3=Pg.3,L.17)

(Pg. 12, Col. 5)

UNPAID LAE:	(6) Case Basis Direct and Assumed	(7) Case Basis Reinsurance Ceded	(8) IBNR Direct and Assumed	(9) IBNR Reinsurance Ceded	(10) Net LAE Unpaid (6-7+8-9)	% of Column 10 to 5
Line of Business						
1. Automobile Liability						
2. General & Product Liability						
3. Professional Liability						
4. Other Liability						
5. Excess Workers' Compensation						
6. All Other Lines						
Totals						

(Columns 6+8=Pg.3,L.18)

(Columns 2+4+7+9=Pg.2,L.9)

(Page 12, Col.13)

PAGES 14 THROUGH 37 SHOULD BE USED TO PROVIDE THE DETAIL FOR THIS PAGE. FOR PAGES 14 THROUGH 37, YOU ONLY HAVE TO INCLUDE THOSE INSURANCE LINES THAT APPLY TO YOUR COMPANY.

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

LOSSES & LAE PAID AND INCURRED

Current Year

<u>LOSSES:</u> Lines of Business	Losses Paid Less Salvage				(5) Net Losses Unpaid Current Year	(6) Net Losses Unpaid Prior Year	(7) Net Losses Incurred (4+5-6)	(8) *Ratio of Losses Incurred to Premiums Earned
	(1) Direct Business	(2) Reinsurance Assumed	(3) Reinsurance Ceded	(4) Net Payments 1+2-3				
1. Automobile Liability								
2. General & Product Liability								
3. Professional Liability								
4. Other Liability								
5. Excess Workers' Compensation								
6. All Other Lines								
Totals								

(Page 11, Col. 5)

(Page 4, Line 6)

<u>LAE:</u> Lines of Business	LAE Paid Less Salvage				(13) Net LAE Unpaid Current Year	(14) Net LAE Unpaid Prior Year	(15) Net LAE Incurred (12+13-14)	(16) Ratio of LAE Incurred to Premiums Earned
	(9) Direct Business	(10) Reinsurance Assumed	(11) Reinsurance Ceded	(12) Net Payments 9+10-11				
1. Automobile Liability								
2. General & Product Liability								
3. Professional Liability								
4. Other Liability								
5. Excess Workers' Compensation								
6. All Other Lines								
Totals								

(Page 11, Col.10)

(Page 4, Line 7)

*Column 7 divided by respective earned premium found on Page 8, Column 7.

PAGES 14 THROUGH 37 SHOULD BE USED TO PROVIDE THE DETAIL FOR THIS PAGE.
FOR PAGES 14 THROUGH 37, YOU ONLY HAVE TO INCLUDE THOSE INSURANCE
LINES THAT APPLY TO YOUR COMPANY.

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

SUMMARY

ALL LINES OF BUSINESS (Sum of all Chart 4s)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR										(11)	(12)	(13)
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Difference Between First Year & Current Year	Net Premiums Earned	% Current Year Losses Incurred to Prem. Earned
Prior													
2004													
2005													
2006													
2007													
2008													
2009													
2010													
2011													
2012													
2013													

PAGES 14 THROUGH 37 SHOULD BE USED TO PROVIDE THE DETAIL FOR THIS PAGE. FOR PAGES 14 THROUGH 37, YOU ONLY HAVE TO INCLUDE THOSE INSURANCE LINES THAT APPLY TO YOUR COMPANY.

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

PAID LOSSES

AUTOMOBILE LIABILITY NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

CASE LOSSES

AUTOMOBILE LIABILITY NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

IBNR LOSSES

AUTOMOBILE LIABILITY NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

AUTOMOBILE LIABILITY LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred to Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

PAID LOSSES

GENERAL & PRODUCT LIABILITY NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

CASE LOSSES

GENERAL & PRODUCT LIABILITY NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

IBNR LOSSES

GENERAL & PRODUCT LIABILITY NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

GENERAL & PRODUCT LIABILITY LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred To Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

PAID LOSSES

PROFESSIONAL LIABILITY NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

CASE LOSSES

PROFESSIONAL LIABILITY NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

IBNR LOSSES

PROFESSIONAL LIABILITY NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

PROFESSIONAL LIABILITY LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred To Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

PAID LOSSES

OTHER LIABILITY NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

CASE LOSSES

OTHER LIABILITY NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

IBNR LOSSES

OTHER LIABILITY NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

OTHER LIABILITY LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred To Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

PAID LOSSES

EXCESS WORKERS' COMPENSATION NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

CASE LOSSES

EXCESS WORKERS' COMPENSATION NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

IBNR LOSSES

EXCESS WORKERS' COMPENSATION NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

EXCESS WORKERS' COMPENSATION LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred To Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME _____

PAID LOSSES

ALL OTHER LINES NET LOSSES & LAE (Chart 1)

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

CASE LOSSES

ALL OTHER LINES NET LOSSES & LAE (Chart 2)

Year In Which Losses Were Incurred	CASE OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
 FOR THE YEAR ENDING December 31, 2013
 COMPANY NAME_____

IBNR LOSSES

ALL OTHER LINES NET LOSSES & LAE (Chart 3)

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior										
2004										
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME_____

ALL OTHER LINES LOSS DEVELOPMENT (Chart 4)

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSES REPORTED AT END OF YEAR*										Net Premiums Earned	% Current Year Losses Incurred To Premium Earned
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Prior												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
2013												

* Net of reinsurance recoverable

MONTANA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE YEAR ENDING December 31, 2013
COMPANY NAME _____

INVESTMENT SCHEDULE

[illegible]

* Include ALL bank accounts. All investments included as assets on lines 1-5, page 2, need to be individually listed on this schedule.

NOTE: The total of this schedule should match the sum of assets on lines 1-5, page 2.

CHECK LIST

DIFF

(L=line, C=column)

- 1 (Pg2,L16 Assets) = (Pg3,L34 Liab., Capital & Surplus Curr. Yr)
- 2 (Pg3,L17, Losses) = (Pg11,C1+C3 Unpaid Losses & IBNR)
- 3 (Pg3,L18, LAE) = (Pg11,C6+C8 Unpaid Losses & IBNR)
- 4 (Pg2,L9, Reins. Recoverable) = (Pg11,C2+C4+C7+C9 Reins. Recoverable)
- 5 (Pg2,L9+L10, Reins, Recoverable) = (Pg9 Reins. Recoverable)
- 6 (Pg2,L12 Prepaid Reinsurance) = (Pg9 Prepaid Reinsurance)
- 7 (Pg3,L31a Paid in Capital) = (Pg6, #1. Outstanding Shares X Par)
- 8 (Pg3,L33 Capital & Surplus) = (Pg4,L27 Capital & Surp.)
- 9 [(Pg3,L23,C1) U/P – (Pg3,L23,C2)U/P] + [(Pg2,L12,C1) PRP – (Pg2,L12,C2)] = (Pg4,L2,C1)
Net Change in U/P).....
- 10 (Pg4,L1 Net Premiums Written) = (Pg8,C4 Net Premiums Written)
- 11 (Pg4,L6 Losses Incurred) = (Pg12, C7 Losses Incurred)
- 12 (Pg4,L7 LAE Incurred) = (Pg12,C15 LAE Incurred).....
- 13 (Pg4,L19 Net Income) = (Pg4,L21 Net Income).....
- 14 (Pg4,L20 Capital & Surplus Curr) = (Pg4,L27 Prior Yr).....
- 15 (Pg8,C2 Premiums Assumed) = (Pg10 Premiums Assumed).....
- 16 (Pg11,L1,C5+C10 Auto Liab) = (Pg15 Case curr. yr. + Pg16 IBNR curr yr.).....
- 17 (Pg11,L2,C5+C10 Product) = (Pg19 Case curr. yr. + Pg20 IBNR curr yr.).....
- 18 (Pg11,L3,C5+C10 Prof.) = (Pg23 Case curr. yr. + Pg24 IBNR curr yr.).....
- 19 (Pg11,L4,C5+C10 Other Liab.) = (Pg27 Case curr yr. + Pg28 IBNR curr yr.).....
- 20 (Pg11,L5,C5+C10 Excess Workers) = (Pg31 Case curr yr. + Pg32 IBNR curr yr.).....
- 21 (Pg11,L6,C5+C10 All Other) = (Pg35 Case curr yr. + Pg36 IBNR curr yr.).....
- 22 (Pg11,L1,C5 Auto Liab.) = (Pg12,L1,C5 Net Losses Unpaid)
- 23 (Pg11,L2,C5 Product) = (Pg12,L2,C5 Net Losses Unpaid).....
- 24 (Pg11,L3,C5 Prof.) = (Pg12,L3,C5 Net Losses Unpaid).....
- 25 (Pg11,L4,C5 Other Liab.) = (Pg12,L4,C5 Net Losses Unpaid).....
- 26 (Pg11,L5,C5 Excess Workers) = (Pg12,L5,C5 Net Losses Unpaid).....
- 27 (Pg11,L6,C5 All Other) = (Pg12,L6,C5 Net Losses Unpaid).....
- 28 (Pg11,L1,C10 Auto Liab.) = (Pg12,L1,C13 Net LAE Unpaid).....
- 29 (Pg11,L2,C10 Product) = (Pg12,L2,C13 Net LAE Unpaid).....
- 30 (Pg11,L3,C10 Prof.) = (Pg12,L3,C13 Net LAE Unpaid).....
- 31 (Pg11,L4,C10 Other Liab.) = (Pg12,L4,C13 Net LAE Unpaid).....
- 32 (Pg11,L5,C10 Excess Workers) = (Pg12,L5,C13 Net LAE Unpaid).....
- 33 (Pg11,L6,C10 All Other) = (Pg12,L6,C13 Net LAE Unpaid)
- 34 (Pg13,C12 Premiums Earned curr yr.) = (Pg4,L3) Premiums Earned curr. yr.).....
- 35 (Pg12, C7)= (Pg4,L6 Net Loss Inc).....
- 36 (Pg12, C15) = (Pg4,L7, Net LAE Inc).....